GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:786
ANSWERED ON:21.02.2003
BUFFER STOCK OF SUGAR
IQBAL AHMED SARADGI;PUTTASWAMY GOWDA

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government have laid down any norms for creation of a buffer stock for sugar;

(b) if so, the details thereof;

(c) whether private sugar mills have opposed this move of the Union Government;

(d) if so, the reasons advanced by the private sugar mills in this regard;

(e) the reaction of the Union Government thereto; and

(f) the steps taken by the Government to help the sugar mill owners in maintaining the buffer stocks?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION(SHRI V. SREENIVASA PRASAD)

(a),(b),(c),(d)&(e): The Government had decided that 25% of the buffer stock would be apportioned on production basis and the balance 75% on the basis of stocks, as on 31st October, 2002. The quantity dispatched/lifted for exports would be taken as `deemed` stock. The Government has received no representation from any sugar mill or any association of sugar mills against these norms.

(f): The creation of a buffer stock of 20 lakh tonnes for a period of one year involves an outgo of Rs.412 crores from the Sugar Development Fund; Rs.374 crores would be released by banks on account of the Buffer Stock. Thus, an amount of Rs.786 crores would become available to sugar industry for the payment of cane price dues to the farmers.